GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:790
ANSWERED ON:22.11.2002
INTERNAL DEBT
RAGHUVANSH PRASAD SINGH;SRIKANTA DATTA NARASIMHARAJA WADIYAR;SUNIL KHAN

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the details of the internal debt of the various State Governments as on October 30, 2002, State-wise:

(b) whether the Union Government have received any requests from the State for reducing the interest rate from 12 percent to 8 percent on the Central Loan to the States;

(c) if so, the details thereof and the action taken by the Government in this regard; and

(d) the other steps being taken to reduce the debt burden of States?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a): A statement is enclosed.

(b)&(c): Requests have been received from some States for reduction in interest rates on Plan loans of Government of India, in keeping with the low interest rate regime in the market. The Government of India have been reducing the rate of interest on Plan loans periodically. The rate of interest on plan loan have reduced from 12.5% in 2000-01 to 11.5% in 2002-03.

(d): The Eleventh Finance Commission had recommended a General Debt Relief Scheme for States. The Government of India have accepted the recommendations of the Eleventh Finance Commission.Besides Government of India have also put forward a proposal for debt swap to enable States to retire high cost debt to facilitate the process of fiscal consolidation. Statement referred to in reply of part (a) of the Lok Sabha Unstarred Question No. 790 for answer on 22.11.2002.
Outstanding internal debt of Ministry of Finance against the State Governments as on 31.10.2002.

(Rs. in crores)

Sl. No.	States	Outstanding balance
1	ANDHRA PRADESH	17086.97
2	ARUNACHAL PRADESH	407.56
3	ASSAM	3376.15
4	BIHAR	10638.54
5	CHHATTISGARH	2767.98
6	GOA	823.96
7	GUJARAT	15763.59
8	HARYANA	4833.47
9	HIMACHAL PRADESH	2449.49
10	JAMMU & KASHMIR	3056.36
11	JHARKHAND	3574.25
12	KARNATAKA	10640.12
13	KERALA	5807.87
14	MADHYA PRADESH	8078.68
15	MAHARASHTRA	20903.53
16	MANIPUR	3390.02
17	MEGHALAYA	339.54
18	MIZORAM	244.72
19	NAGALAND	340.02
20	ORISSA	7443.64
21	PUNJAB	8010.68
22	RAJASTHAN	9858.56
23	SIKKIM	196.63
24	TAMIL NADU	10929.22
25	TRIPURA	630.74

26 UTTAR PRADESH 28749.00
27 UTTARANCHAL 1541.60
28 WEST BENGAL 23074.49